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Form **990**Department of the Treasury
Internal Revenue Service**Return of Organization Exempt From Income Tax**

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

▶ The organization may have to use a copy of this return to satisfy state reporting requirements.

OMB No 1545-0047

2009Open to Public
Inspection**A For the 2009 calendar year, or tax year beginning****and ending****B Check if applicable**

- ☐ Address change
☐ Name change
☐ Initial return
☐ Terminated
☐ Amended return
☐ Application pending

Please use IRS label or print or type

See Specific Instructions

C Name of organization**THE GESHER FOUNDATION INC**

Doing Business As

Number and street (or P O box if mail is not delivered to street address)

520 EIGHTH AVENUE, 15TH FLOOR

City or town, state or country, and ZIP + 4

NEW YORK, NY 10018**F Name and address of principal officer: SUZANNE D. JAFFE****784 PARK AVENUE, #5A, NEW YORK, NY 10021****D Employer identification number****23-7029115****E Telephone number****646-472-5380****G Gross receipts \$****906,225.****H(a) Is this a group return**

for affiliates?

☐ Yes☒ No**H(b) Are all affiliates included?**☐ Yes☐ No

If "No," attach a list. (see instructions)

H(c) Group exemption number ▶**I Tax-exempt status:** ☒ 501(c) (3) (insert no.) ☐ 4947(a)(1) or ☐ 527**J Website:** **WWW.GESHERUSA.ORG****K Form of organization** ☒ Corporation ☐ Trust ☐ Association ☐ Other ▶**L Year of formation** **1970****M State of legal domicile** **NY****Part I Summary****1** Briefly describe the organization's mission or most significant activities: **TO SUPPORT FORMAL AND INFORMAL EDUCATIONAL PROGRAMS THAT REACH OUT TO ALL MEMBERS OF ISRAELI****2** Check this box ☐ if the organization discontinued its operations or disposed of more than 25% of its net assets.**3** Number of voting members of the governing body (Part VI, line 1a)**3****15****4** Number of independent voting members of the governing body (Part VI, line 1b)**4****15****5** Total number of employees (Part V, line 2a)**5****7****6** Total number of volunteers (estimate if necessary)**6****12****7a** Total gross unrelated business revenue from Part VIII, column (C), line 12**7a****0.****b** Net unrelated business taxable income from Form 990-T, line 34**7b****0.****8** Contributions and grants (Part VIII, line 1h)**Prior Year****Current Year****949,047.****903,847.****9** Program service revenue (Part VIII, line 2g)**18,936.****2,378.****10** Investment income (Part VIII, column (A), lines 3, 4, and 7d)**11** Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)**12** Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)**967,983.****906,225.****13** Grants and similar amounts paid (Part IX, column (A), lines 1-3)**513,534.****456,904.****14** Benefits paid to or for members (Part IX, column (A), line 4)**15** Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)**239,704.****175,915.****16a** Professional fundraising fees (Part IX, column (A), line 11e)**b** Total fundraising expenses (Part IX, column (D), line 25) ▶ **131,974.****17** Other expenses (Part IX, column (A), lines 11a-11d, 11f-24f)**379,467.****183,468.****18** Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)**1,132,705.****816,287.****19** Revenue less expenses. Subtract line 18 from line 12**<164,722.>****89,938.****20** Total assets (Part X, line 16)**Beginning of Current Year****End of Year****747,313.****600,754.****21** Total liabilities (Part X, line 26)**270,864.****31,641.****22** Net assets or fund balances. Subtract line 21 from line 20**476,449.****569,113.****Part II Signature Block**

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here

Signature of officer

Date

SUZANNE D. JAFFE, CHAIRMAN OF BOARD

Type or print name and title

Paid Preparer's Use Only

Preparer's signature

Date

Check if self-employed ☒

Preparer's identifying number (see instructions)

125-42-6325

Firm's name (or yours if self-employed), address, and ZIP + 4

BASS & LEMER LLP**836 HEMPSTEAD AVENUE****WEST HEMPSTEAD, NY 11552**EIN ▶ **13-1938264**Phone no ▶ **516-485-9600**

May the IRS discuss this return with the preparer shown above? (see instructions)

☒ Yes☐ No

932001 02-04-10

LHA For Privacy Act and Paperwork Reduction Act Notice, see the separate instructions.

Form **990** (2009)

SEE SCHEDULE O FOR ORGANIZATION MISSION STATEMENT CONTINUATION

Part III Statement of Program Service Accomplishments**1** Briefly describe the organization's mission.

TO SUPPORT FORMAL AND INFORMAL EDUCATIONAL PROGRAMS THAT REACH OUT TO
ALL MEMBERS OF ISRAELI SOCIETY TO TEACH TOLERANCE AND UNDERSTANDING
AND TO PROMOTE JEWISH AND ISRAELI IDENTITY.

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ?☐ Yes ☒ No

If "Yes," describe these new services on Schedule O.

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services?☐ Yes ☒ No

If "Yes," describe these changes on Schedule O.

4 Describe the exempt purpose achievements for each of the organization's three largest program services by expenses.

Section 501(c)(3) and 501(c)(4) organizations and section 4947(a)(1) trusts are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

4a (Code) (Expenses \$ 498,466. including grants of \$ 456,904.) (Revenue \$)

TO ASSIST THE GESHER EDUCATIONAL AFFILIATES AND GESHER MULTI-CULTURAL
FILM FUND IN ISRAEL IN PROVIDING ISRAELI CHILDREN AND ADULTS AN
EDUCATION IN JEWISH HISTORY, CULTURE, AND IDENTITY AND TO PROMOTE MUTUAL
UNDERSTANDING, RESPECT AND TOLERANCE OF ALL.

4b (Code:) (Expenses \$ including grants of \$) (Revenue \$)**4c** (Code.) (Expenses \$ including grants of \$) (Revenue \$)**4d** Other program services. (Describe in Schedule O.)

(Expenses \$ including grants of \$) (Revenue \$)

4e Total program service expenses ► \$ 498,466.

Part IV Checklist of Required Schedules

	Yes	No
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? <i>If "Yes," complete Schedule A</i>	X	
2 Is the organization required to complete Schedule B, Schedule of Contributors?	X	
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? <i>If "Yes," complete Schedule C, Part I</i>		X
4 Section 501(c)(3) organizations. Did the organization engage in lobbying activities? <i>If "Yes," complete Schedule C, Part II</i>		X
5 Section 501(c)(4), 501(c)(5), and 501(c)(6) organizations. Is the organization subject to the section 6033(e) notice and reporting requirement and proxy tax? <i>If "Yes," complete Schedule C, Part III</i>	N/A	
6 Did the organization maintain any donor advised funds or any similar funds or accounts where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? <i>If "Yes," complete Schedule D, Part I</i>		X
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? <i>If "Yes," complete Schedule D, Part II</i>		X
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? <i>If "Yes," complete Schedule D, Part III</i>		X
9 Did the organization report an amount in Part X, line 21; serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? <i>If "Yes," complete Schedule D, Part IV</i>		X
10 Did the organization, directly or through a related organization, hold assets in term, permanent, or quasi-endowments? <i>If "Yes," complete Schedule D, Part V</i>	X	
11 Is the organization's answer to any of the following questions "Yes"? <i>If so, complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable</i>	X	
• Did the organization report an amount for land, buildings, and equipment in Part X, line 10? <i>If "Yes," complete Schedule D, Part VI.</i>		
• Did the organization report an amount for investments - other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VII</i>		
• Did the organization report an amount for investments - program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VIII</i>		
• Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part IX</i>		
• Did the organization report an amount for other liabilities in Part X, line 25? <i>If "Yes," complete Schedule D, Part X.</i>		
• Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48? <i>If "Yes," complete Schedule D, Part X.</i>		
12 Did the organization obtain separate, independent audited financial statements for the tax year? <i>If "Yes," complete Schedule D, Parts XI, XII, and XIII.</i>	X	
12A Was the organization included in consolidated, independent audited financial statements for the tax year? <i>If "Yes," completing Schedule D, Parts XI, XII, and XIII is optional</i>	Yes	No
		X
13 Is the organization a school described in section 170(b)(1)(A)(ii)? <i>If "Yes," complete Schedule E</i>		X
14a Did the organization maintain an office, employees, or agents outside of the United States?		X
b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, and program service activities outside the United States? <i>If "Yes," complete Schedule F, Part I</i>	X	
15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or assistance to any organization or entity located outside the United States? <i>If "Yes," complete Schedule F, Part II</i>	X	
16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or assistance to individuals located outside the United States? <i>If "Yes," complete Schedule F, Part III</i>		X
17 Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? <i>If "Yes," complete Schedule G, Part I</i>		X
18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? <i>If "Yes," complete Schedule G, Part II</i>		X
19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? <i>If "Yes," complete Schedule G, Part III</i>		X
20 Did the organization operate one or more hospitals? <i>If "Yes," complete Schedule H</i>		X

Part IV Checklist of Required Schedules (continued)

	Yes	No
21 Did the organization report more than \$5,000 of grants and other assistance to governments and organizations in the United States on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II</i>		X
22 Did the organization report more than \$5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III</i>		X
23 Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? <i>If "Yes," complete Schedule J</i>		X
24a Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? <i>If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25</i>		X
b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?		
c Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?		
d Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?		
25a Section 501(c)(3) and 501(c)(4) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If "Yes," complete Schedule L, Part I</i>		X
b Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? <i>If "Yes," complete Schedule L, Part I</i>		X
26 Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? <i>If "Yes," complete Schedule L, Part II</i>		X
27 Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor, or a grant selection committee member, or to a person related to such an individual? <i>If "Yes," complete Schedule L, Part III</i>		X
28 Was the organization a party to a business transaction with one of the following parties, (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions)		
a A current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>		X
b A family member of a current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>		X
c An entity of which a current or former officer, director, trustee, or key employee of the organization (or a family member) was an officer, director, trustee, or direct or indirect owner? <i>If "Yes," complete Schedule L, Part IV</i>		X
29 Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i>		X
30 Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i>		X
31 Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i>		X
32 Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II</i>		X
33 Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? <i>If "Yes," complete Schedule R, Part I</i>		X
34 Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1</i>		X
35 Is any related organization a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2</i>		X
36 Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i>		X
37 Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If "Yes," complete Schedule R, Part VI</i>		X
38 Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11 and 19?	X	

Form 990 (2009)

Part V Statements Regarding Other IRS Filings and Tax Compliance

		Yes	No
1a	Enter the number reported in Box 3 of Form 1096, Annual Summary and Transmittal of U.S. Information Returns. Enter -0- if not applicable		
1b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable		
1c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?		
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return		
2b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file this return. (see instructions)	X	
3a	Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?		X
3b	If "Yes," has it filed a Form 990-T for this year? If "No," provide an explanation in Schedule O		
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?		X
4b	If "Yes," enter the name of the foreign country: See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.		
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?		X
5b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?		X
5c	If "Yes," to line 5a or 5b, did the organization file Form 8886-T, Disclosure by Tax-Exempt Entity Regarding Prohibited Tax Shelter Transaction?		
6a	Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible?		X
6b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?		
7	Organizations that may receive deductible contributions under section 170(c).		
7a	Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?		X
7b	If "Yes," did the organization notify the donor of the value of the goods or services provided?		
7c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?		X
7d	If "Yes," indicate the number of Forms 8282 filed during the year		
7e	Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?		X
7f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?		X
7g	For all contributions of qualified intellectual property, did the organization file Form 8899 as required?		X
7h	For contributions of cars, boats, airplanes, and other vehicles, did the organization file a Form 1098-C as required?		X
8	Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations. Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year? N/A		
9	Sponsoring organizations maintaining donor advised funds.		
9a	Did the organization make any taxable distributions under section 4966? N/A		
9b	Did the organization make a distribution to a donor, donor advisor, or related person? N/A		
10	Section 501(c)(7) organizations. Enter: a Initiation fees and capital contributions included on Part VIII, line 12 b Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities N/A	10a	10b
11	Section 501(c)(12) organizations. Enter: a Gross income from members or shareholders b Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.) N/A	11a	11b
12a	Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?	12a	
12b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year	12b	

Form 990 (2009)

Part VI Governance, Management, and Disclosure For each "Yes" response to lines 2 through 7b below, and for a "No" response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions.

Section A. Governing Body and Management

	Yes	No
1a Enter the number of voting members of the governing body	15	
b Enter the number of voting members that are independent	15	
2 Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?	X	
3 Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person?		X
4 Did the organization make any significant changes to its organizational documents since the prior Form 990 was filed?		X
5 Did the organization become aware during the year of a material diversion of the organization's assets?		X
6 Does the organization have members or stockholders?		X
7a Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body?		X
b Are any decisions of the governing body subject to approval by members, stockholders, or other persons?		X
8 Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:		
a The governing body?	X	
b Each committee with authority to act on behalf of the governing body?	X	
9 Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O		X

Section B. Policies (This Section B requests information about policies not required by the Internal Revenue Code.)

	Yes	No
10a Does the organization have local chapters, branches, or affiliates?		X
b If "Yes," does the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with those of the organization?		
11 Has the organization provided a copy of this Form 990 to all members of its governing body before filing the form?	X	
11A Describe in Schedule O the process, if any, used by the organization to review this Form 990.		
12a Does the organization have a written conflict of interest policy? If "No," go to line 13	X	
b Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	X	
c Does the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this is done	X	
13 Does the organization have a written whistleblower policy?	X	
14 Does the organization have a written document retention and destruction policy?		X
15 Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?		
a The organization's CEO, Executive Director, or top management official		X
b Other officers or key employees of the organization		X
If "Yes" to line 15a or 15b, describe the process in Schedule O. (See instructions.)		
16a Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?		X
b If "Yes," has the organization adopted a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and taken steps to safeguard the organization's exempt status with respect to such arrangements?		

Section C. Disclosure

17 List the states with which a copy of this Form 990 is required to be filed **►NY**

18 Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection. Indicate how you make these available. Check all that apply.
☐ Own website ☐ Another's website ☒ Upon request

19 Describe in Schedule O whether (and if so, how), the organization makes its governing documents, conflict of interest policy, and financial statements available to the public

20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization: **►**
EVE NACHMAN - 646-472-5380
520 EIGHTH AVENUE, NEW YORK, NY 10018

Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors**Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees**

1a Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year. Use Schedule J-2 if additional space is needed.

• List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.

• List all of the organization's **current** key employees. See instructions for definition of "key employee."

• List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations.

• List all of the organization's **former** officers, key employees, and highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations.

• List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations.

List persons in the following order: individual trustees or directors; institutional trustees; officers; key employees; highest compensated employees; and former such persons.

☐ Check this box if the organization did not compensate any current officer, director, or trustee.

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
SUZANNE D. JAFFE BOARD MEMBER & CHAIRMAN	1.00	X		X				0.	0.	0.
JONATHAN TULKOFF BOARD MEMBER AND VP	1.00	X		X				0.	0.	0.
MATTHEW J. MARYLES BOARD MEMBER & TREASURER	1.00	X		X				0.	0.	0.
LUDWIG BRAVMANN BOARD MEMBER	1.00	X						0.	0.	0.
SHALOM BRONSTEIN BOARD MEMBER	1.00	X						0.	0.	0.
DAVID CHEIFETZ BOARD MEMBER	1.00	X						0.	0.	0.
ALAN EISENMAN BOARD MEMBER	1.00	X						0.	0.	0.
BERNARD HAMMER BOARD MEMBER	1.00	X						0.	0.	0.
MICHAEL KANN BOARD MEMBER	1.00	X						0.	0.	0.
IRA KELLMAN BOARD MEMBER	1.00	X						0.	0.	0.
JERRY KESTENBAUM BOARD MEMBER	1.00	X						0.	0.	0.
MARCEL LINDENBAUM BOARD MEMBER	1.00	X						0.	0.	0.
PHILLIP SCHATTEN BOARD MEMBER	1.00	X						0.	0.	0.
DAVID TROPPER BOARD MEMBER	1.00	X						0.	0.	0.
DR. DANIEL TROPPER PRESIDENT	1.00			X				23,811.	0.	7,024.

Part VII Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees (continued)

(A) Name and title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
1b Total								23,811.	0.	7,024.

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 in reportable compensation from the organization **0**

	Yes	No
3 Did the organization list any former officer, director or trustee, key employee, or highest compensated employee on line 1a? If "Yes," complete Schedule J for such individual		X
4 For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? If "Yes," complete Schedule J for such individual		X
5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization for services rendered to the organization? If "Yes," complete Schedule J for such person		X

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization. **NONE**

(A) Name and business address	(B) Description of services	(C) Compensation

2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 in compensation from the organization **0**

Part VIII Statement of Revenue

				(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514	
Contributions, gifts, grants and other similar amounts	1 a	Federated campaigns	1a					
	b	Membership dues	1b					
	c	Fundraising events	1c					
	d	Related organizations	1d					
	e	Government grants (contributions)	1e					
	f	All other contributions, gifts, grants, and similar amounts not included above	1f	903,847.				
	g	Noncash contributions included in lines 1a-1f \$						
	h	Total. Add lines 1a-1f			903,847.			
Program Service Revenue				Business Code				
	2 a							
	b							
	c							
	d							
	e							
	f	All other program service revenue						
g	Total. Add lines 2a-2f							
Other Revenue	3	Investment income (including dividends, interest, and other similar amounts)			2,378.		2,378.	
	4	Income from investment of tax-exempt bond proceeds						
	5	Royalties						
	6 a	Gross Rents	(i) Real	(ii) Personal				
		Less: rental expenses						
		Rental income or (loss)						
		Net rental income or (loss)						
	7 a	Gross amount from sales of assets other than inventory	(i) Securities	(ii) Other				
		Less: cost or other basis and sales expenses						
		Gain or (loss)						
		Net gain or (loss)						
	8 a	Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c). See Part IV, line 18						
		Less: direct expenses						
		Net income or (loss) from fundraising events						
	9 a	Gross income from gaming activities. See Part IV, line 19						
		Less: direct expenses						
		Net income or (loss) from gaming activities						
	10 a	Gross sales of inventory, less returns and allowances						
		Less: cost of goods sold						
		Net income or (loss) from sales of inventory						
	Miscellaneous Revenue			Business Code				
	11 a							
All other revenue								
e	Total. Add lines 11a-11d							
12	Total revenue. See instructions			906,225.	0.	0.	2,378.	

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns.

All other organizations must complete column (A) but are not required to complete columns (B), (C), and (D).

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to governments and organizations in the U.S. See Part IV, line 21				
2 Grants and other assistance to individuals in the U.S. See Part IV, line 22				
3 Grants and other assistance to governments, organizations, and individuals outside the U.S. See Part IV, lines 15 and 16	456,904.	456,904.		
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees				
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7 Other salaries and wages	175,915.	36,184.	83,391.	56,340.
8 Pension plan contributions (include section 401(k) and section 403(b) employer contributions)				
9 Other employee benefits				
10 Payroll taxes				
11 Fees for services (non-employees):				
a Management				
b Legal				
c Accounting	18,983.		18,983.	
d Lobbying				
e Professional fundraising services See Part IV, line 17				
f Investment management fees				
g Other	60,637.		29,723.	30,914.
12 Advertising and promotion	26,653.		2,214.	24,439.
13 Office expenses	11,568.		11,568.	
14 Information technology				
15 Royalties				
16 Occupancy	27,147.	1,357.	13,031.	12,759.
17 Travel	17,917.	3,046.	9,496.	5,375.
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings				
20 Interest				
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	1,010.		1,010.	
23 Insurance	3,188.		3,188.	
24 Other expenses. Itemize expenses not covered above. (Expenses grouped together and labeled miscellaneous may not exceed 5% of total expenses shown on line 25 below.)				
a <u>TELEPHONE</u>	5,733.	975.	3,038.	1,720.
b <u>SUPPLIES</u>	5,208.		5,208.	
c <u>FEES, PERMITS, BANK FEES</u>	4,210.		3,783.	427.
d <u>MISCELLANEOUS</u>	1,214.		1,214.	
e				
f All other expenses				
25 Total functional expenses. Add lines 1 through 24f	816,287.	498,466.	185,847.	131,974.
26 Joint costs. Check here ☐ if following SOP 98-2. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation				

Part X Balance Sheet

		(A) Beginning of year		(B) End of year
Assets	1 Cash - non-interest-bearing	14,809.	1	72,911.
	2 Savings and temporary cash investments	731,494.	2	527,843.
	3 Pledges and grants receivable, net		3	
	4 Accounts receivable, net		4	
	5 Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L		5	
	6 Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B). Complete Part II of Schedule L		6	
	7 Notes and loans receivable, net		7	
	8 Inventories for sale or use		8	
	9 Prepaid expenses and deferred charges		9	
	10a Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	10a 23,646.		
	b Less: accumulated depreciation	10b 23,646.	1,010.	10c 0.
	11 Investments - publicly traded securities		11	
	12 Investments - other securities. See Part IV, line 11		12	
	13 Investments - program-related. See Part IV, line 11		13	
	14 Intangible assets		14	
15 Other assets. See Part IV, line 11		15		
16 Total assets. Add lines 1 through 15 (must equal line 34)	747,313.	16	600,754.	
Liabilities	17 Accounts payable and accrued expenses	270,864.	17	31,641.
	18 Grants payable		18	
	19 Deferred revenue		19	
	20 Tax-exempt bond liabilities		20	
	21 Escrow or custodial account liability. Complete Part IV of Schedule D		21	
	22 Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L		22	
	23 Secured mortgages and notes payable to unrelated third parties		23	
	24 Unsecured notes and loans payable to unrelated third parties		24	
	25 Other liabilities. Complete Part X of Schedule D		25	
	26 Total liabilities. Add lines 17 through 25	270,864.	26	31,641.
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here ☒ and complete lines 27 through 29, and lines 33 and 34.			
	27 Unrestricted net assets	476,449.	27	485,331.
	28 Temporarily restricted net assets	0.	28	83,782.
	29 Permanently restricted net assets		29	
	Organizations that do not follow SFAS 117, check here ☐ and complete lines 30 through 34.			
	30 Capital stock or trust principal, or current funds		30	
	31 Paid-in or capital surplus, or land, building, or equipment fund		31	
	32 Retained earnings, endowment, accumulated income, or other funds		32	
	33 Total net assets or fund balances	476,449.	33	569,113.
34 Total liabilities and net assets/fund balances	747,313.	34	600,754.	

Part XI Financial Statements and Reporting

1 Accounting method used to prepare the Form 990: ☐ Cash ☒ Accrual ☐ Other _____

If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O

2a Were the organization's financial statements compiled or reviewed by an independent accountant?

b Were the organization's financial statements audited by an independent accountant?

c If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant?

If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O

d If "Yes" to line 2a or 2b, check a box below to indicate whether the financial statements for the year were issued on a consolidated basis, separate basis, or both:

☒ Separate basis ☐ Consolidated basis ☐ Both consolidated and separate basis

3a As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?

b If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits

	Yes	No
2a		X
2b	X	
2c	X	
3a		X
3b		

Form 990 (2009)

Department of the Treasury
Internal Revenue Service

Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.

▶ Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.

OMB No. 1545-0047

2009

Open to Public Inspection

Name of the organization

THE GESHER FOUNDATION INC

Employer identification number

23-7029115

Part I	Reason for Public Charity Status (All organizations must complete this part.) See instructions.
---------------	--

The organization is not a private foundation because it is: (For lines 1 through 11, check only one box.)

- 1 ☐ A church, convention of churches, or association of churches described in **section 170(b)(1)(A)(i).**

2 ☐ A school described in **section 170(b)(1)(A)(ii).** (Attach Schedule E.)

3 ☐ A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii).**

4 ☐ A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii).** Enter the hospital's name, city, and state: _____

5 ☐ An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv).** (Complete Part II.)

6 ☐ A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v).**

7 ☒ An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi).** (Complete Part II.)

8 ☐ A community trust described in **section 170(b)(1)(A)(vi).** (Complete Part II.)

9 ☐ An organization that normally receives: (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions - subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See **section 509(a)(2).** (Complete Part III.)

10 ☐ An organization organized and operated exclusively to test for public safety. See **section 509(a)(4).**

11 ☐ An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2). See **section 509(a)(3).** Check the box that describes the type of supporting organization and complete lines 11e through 11h.

a ☐ Type I b ☐ Type II c ☐ Type III - Functionally integrated d ☐ Type III - Other

e ☐ By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2).

f ☐ If the organization received a written determination from the IRS that it is a Type I, Type II, or Type III supporting organization, check this box _____

g Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?

(i) A person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the supported organization?

(ii) A family member of a person described in (i) above?

(iii) A 35% controlled entity of a person described in (i) or (ii) above?

h Provide the following information about the supported organization(s).

	Yes	No
11g(i)		
11g(ii)		
11g(iii)		

	Yes	No
11g(i)		
11g(ii)		
11g(iii)		

[illegible]

LHA For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990-EZ.

Schedule A (Form 990 or 990-EZ) 2009

Part II Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)

(Complete only if you checked the box on line 5, 7, or 8 of Part I.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ►	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")	1714704.	1696500.	842,184.	949,047.	856,751.	6059186.
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 Total. Add lines 1 through 3	1714704.	1696500.	842,184.	949,047.	856,751.	6059186.
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						
6 Public support. Subtract line 5 from line 4						6059186.

Section B. Total Support

Calendar year (or fiscal year beginning in) ►	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(f) Total
7 Amounts from line 4	1714704.	1696500.	842,184.	949,047.	856,751.	6059186.
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources	10,932.	38,159.	37,390.	18,936.	2,378.	107,795.
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)	715.	285.				1,000.
11 Total support. Add lines 7 through 10						6167981.
12 Gross receipts from related activities, etc. (see instructions)					12	
13 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here ► ☐						

Section C. Computation of Public Support Percentage

14 Public support percentage for 2009 (line 6, column (f) divided by line 11, column (f))	14	98.24	%
15 Public support percentage from 2008 Schedule A, Part II, line 14	15	98.24	%
16a 33 1/3% support test - 2009. If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization ► ☒			
b 33 1/3% support test - 2008. If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization ► ☐			
17a 10% -facts-and-circumstances test - 2009. If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization ► ☐			
b 10% -facts-and-circumstances test - 2008. If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization ► ☐			
18 Private foundation. If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions ► ☐			

Part III Support Schedule for Organizations Described in Section 509(a)(2) (Complete only if you checked the box on line 9 of Part I)**Section A. Public Support**

Calendar year (or fiscal year beginning in) ▶	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 Total. Add lines 1 through 5						
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year						
c Add lines 7a and 7b						
8 Public support. (Subtract line 7c from line 6)						

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(f) Total
9 Amounts from line 6						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)						
13 Total support. (Add lines 9, 10c, 11, and 12)						
14 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here ▶ ☐						

Section C. Computation of Public Support Percentage

15 Public support percentage for 2009 (line 8, column (f) divided by line 13, column (f))	15	%
16 Public support percentage from 2008 Schedule A, Part III, line 15	16	%

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2009 (line 10c, column (f) divided by line 13, column (f))	17	%
18 Investment income percentage from 2008 Schedule A, Part III, line 17	18	%

19a 33 1/3% support tests - 2009. If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization ▶ ☐

b 33 1/3% support tests - 2008. If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3%, and line 18 is not more than 33 1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization ▶ ☐

20 Private foundation. If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions ▶ ☐

Schedule D
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

► **Complete if the organization answered "Yes," to Form 990,
Part IV, line 6, 7, 8, 9, 10, 11, or 12.**

► **Attach to Form 990. ► See separate instructions.**

OMB No 1545-0047

2009

**Open to Public
Inspection**

Name of the organization

THE GESHER FOUNDATION INC

Employer identification number
23-7029115

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts. Complete if the organization answered "Yes" to Form 990, Part IV, line 6.

	(a) Donor advised funds	(b) Funds and other accounts
1 Total number at end of year		
2 Aggregate contributions to (during year)		
3 Aggregate grants from (during year)		
4 Aggregate value at end of year		
5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control?		☐ Yes ☐ No
6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit?		☐ Yes ☐ No

Part II Conservation Easements. Complete if the organization answered "Yes" to Form 990, Part IV, line 7.

1 Purpose(s) of conservation easements held by the organization (check all that apply).

☐ Preservation of land for public use (e.g., recreation or pleasure)	☐ Preservation of an historically important land area
☐ Protection of natural habitat	☐ Preservation of a certified historic structure
☐ Preservation of open space	

2 Complete lines 2a through 2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year.

	Held at the End of the Tax Year
a Total number of conservation easements	2a
b Total acreage restricted by conservation easements	2b
c Number of conservation easements on a certified historic structure included in (a)	2c
d Number of conservation easements included in (c) acquired after 8/17/06	2d

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year ► _____

4 Number of states where property subject to conservation easement is located ► _____

5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds? ☐ Yes ☐ No

6 Staff and volunteer hours devoted to monitoring, inspecting, and enforcing conservation easements during the year ► _____

7 Amount of expenses incurred in monitoring, inspecting, and enforcing conservation easements during the year ► \$ _____

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)? ☐ Yes ☐ No

9 In Part XIV, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements.

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets.

Complete if the organization answered "Yes" to Form 990, Part IV, line 8.

1a If the organization elected, as permitted under SFAS 116, not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIV, the text of the footnote to its financial statements that describes these items.

b If the organization elected, as permitted under SFAS 116, to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items:

(i) Revenues included in Form 990, Part VIII, line 1	► \$ _____
(ii) Assets included in Form 990, Part X	► \$ _____

2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 relating to these items:

a Revenues included in Form 990, Part VIII, line 1	► \$ _____
b Assets included in Form 990, Part X	► \$ _____

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets (continued)

3 Using the organization's acquisition, accession, and other records, check any of the following that are a significant use of its collection items (check all that apply):

- a ☐ Public exhibition
 b ☐ Scholarly research
 c ☐ Preservation for future generations
 d ☐ Loan or exchange programs
 e ☐ Other _____

4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIV.

5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? ☐ Yes ☐ No

Part IV Escrow and Custodial Arrangements. Complete if organization answered "Yes" to Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? ☐ Yes ☐ No

b If "Yes," explain the arrangement in Part XIV and complete the following table:

- c Beginning balance
 d Additions during the year
 e Distributions during the year
 f Ending balance

	Amount
1c	
1d	
1e	
1f	

2a Did the organization include an amount on Form 990, Part X, line 21? ☐ Yes ☐ No

b If "Yes," explain the arrangement in Part XIV.

Part V Endowment Funds. Complete if the organization answered "Yes" to Form 990, Part IV, line 10.

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance	9,075.	0.			
b Contributions		15,000.			
c Net investment earnings, gains, and losses	2,994.	<5,925.>			
d Grants or scholarships					
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance	12,069.	9,075.			

2 Provide the estimated percentage of the year end balance held as:

- a Board designated or quasi-endowment ► _____ %
 b Permanent endowment ► _____ %
 c Term endowment ► 100.00 %

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by:

- (i) unrelated organizations
 (ii) related organizations

	Yes	No
3a(i)		X
3a(ii)		X
3b		

b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?

4 Describe in Part XIV the intended uses of the organization's endowment funds.

Part VI Investments - Land, Buildings, and Equipment. See Form 990, Part X, line 10.

Description of investment	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land				
b Buildings				
c Leasehold improvements				
d Equipment	23,646.		23,646.	0.
e Other				
Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10(c).)				0.

Part VII Investments - Other Securities. See Form 990, Part X, line 12.

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
Financial derivatives		
Closely-held equity interests		
Other		
Total. (Col (b) must equal Form 990, Part X, col (B) line 12.) ►		

Part VIII Investments - Program Related. See Form 990, Part X, line 13.

(a) Description of investment type	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
Total. (Col (b) must equal Form 990, Part X, col (B) line 13.) ►		

Part IX Other Assets. See Form 990, Part X, line 15.

(a) Description	(b) Book value
Total. (Column (b) must equal Form 990, Part X, col (B) line 15.) ►	

Part X Other Liabilities. See Form 990, Part X, line 25.

1. (a) Description of liability	(b) Amount
Federal income taxes	
Total. (Column (b) must equal Form 990, Part X, col (B) line 25.) ►	

2. FIN 48 Footnote. In Part XIV, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48

Part XI Reconciliation of Change in Net Assets from Form 990 to Audited Financial Statements

1	Total revenue (Form 990, Part VIII, column (A), line 12)	1	906,225.
2	Total expenses (Form 990, Part IX, column (A), line 25)	2	816,287.
3	Excess or (deficit) for the year. Subtract line 2 from line 1	3	89,938.
4	Net unrealized gains (losses) on investments	4	2,726.
5	Donated services and use of facilities	5	
6	Investment expenses	6	
7	Prior period adjustments	7	
8	Other (Describe in Part XIV.)	8	
9	Total adjustments (net). Add lines 4 through 8	9	2,726.
10	Excess or (deficit) for the year per audited financial statements. Combine lines 3 and 9	10	92,664.

Part XII Reconciliation of Revenue per Audited Financial Statements With Revenue per Return

1	Total revenue, gains, and other support per audited financial statements	1	908,951.
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12:		
a	Net unrealized gains on investments	2a	2,726.
b	Donated services and use of facilities	2b	
c	Recoveries of prior year grants	2c	
d	Other (Describe in Part XIV.)	2d	
e	Add lines 2a through 2d	2e	2,726.
3	Subtract line 2e from line 1	3	906,225.
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1:		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIV.)	4b	
c	Add lines 4a and 4b	4c	0.
5	Total revenue. Add lines 3 and 4c. (This must equal Form 990, Part I, line 12.)	5	906,225.

Part XIII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return

1	Total expenses and losses per audited financial statements	1	816,287.
2	Amounts included on line 1 but not on Form 990, Part IX, line 25:		
a	Donated services and use of facilities	2a	
b	Prior year adjustments	2b	
c	Other losses	2c	
d	Other (Describe in Part XIV.)	2d	
e	Add lines 2a through 2d	2e	0.
3	Subtract line 2e from line 1	3	816,287.
4	Amounts included on Form 990, Part IX, line 25, but not on line 1:		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIV.)	4b	
c	Add lines 4a and 4b	4c	0.
5	Total expenses. Add lines 3 and 4c. (This must equal Form 990, Part I, line 18.)	5	816,287.

Part XIV Supplemental Information

Complete this part to provide the descriptions required for Part II, lines 3, 5, and 9; Part III, lines 1a and 4; Part IV, lines 1b and 2b; Part V, line 4; Part X, line 2; Part XI, line 8; Part XII, lines 2d and 4b; and Part XIII, lines 2d and 4b. Also complete this part to provide any additional information.

PART V, LINE 4: THE ORGANIZATION MAINTAINS FUNDS THAT BELONG TO A CRAT

AND IS OBLIGATED TO PAY INTEREST ANNUALLY TO TWO DONORS UNTIL THEIR

DEMISE. UPON DEMISE THE ORGANIZATION MAY USE THE FUNDS AS THE

ORGANIZATION DEEMS APPROPRIATE.

Department of the Treasury
Internal Revenue Service

▶ **Complete if the organization answered "Yes" to Form 990, Part IV, line 14b, 15, or 16.**
▶ **Attach to Form 990. ▶ See separate instructions.**

OMB No 1545-0047

Open to Public Inspection

Employer identification number

23-7029115

1 **For grantmakers.** Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? ☒ Yes ☐ No

3 Activities per Region. (Use Schedule F-1 (Form 990) if additional space is needed.)

(a) Region	(b) Number of offices in the region	(c) Number of employees or agents in region	(d) Activities conducted in region (by type) (i.e., fundraising, program services, grants to recipients located in the region)	(e) If activity listed in (d) is a program service, describe specific type of service(s) in region	(f) Total expenditures for region
Totals ▶	0	0			0

Schedule F (Form 990) 2009

Part IV Supplemental Information

Complete this part to provide the information required in Part I, line 2, and any additional information.

PART II, COLUMN (D):

REGION: MIDDLE EAST AND NORTH AFRICA

(D) PURPOSE OF GRANT: TO ASSIST THE GESHER EDUCATIONAL AFFILIATES AND
GESHER MULTI-CULTURAL FILM FUND IN ISRAEL IN PROVIDING ISRAELI CHILDREN
AND ADULTS AN EDUCATION IN JEWISH HISTORY, CULTURE, AND IDENTITY AND TO
PROMOTE MUTUAL UNDERSTANDING, RESPECT AND TOLERANCE OF ALL.

THE ORGANIZATION'S PROCEDURE FOR MONITORING THE USE OF GRANT FUNDS
OUTSIDE OF THE UNITED STATES IS PERFORMED BY THE ORGANIZATION'S PRESIDENT
WHO SPENDS MOST OF HIS TIME AT THE RECIPIENT ORGANIZATIONS IN ISRAEL.
THE ORGANIZATION'S EXECUTIVE DIRECTOR OCCASIONALLY VISITS THE RECIPIENT
ORGANIZATIONS IN ISRAEL. THE RECIPIENT ORGANIZATIONS SEND REPORTS TO THE
ORGANIZATION ABOUT THEIR USE OF GRANTS.

SCHEDULE O
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990

Complete to provide information for responses to specific questions on
Form 990 or to provide any additional information.
▶ Attach to Form 990.

OMB No 1545-0047

2009

Open to Public
Inspection

Name of the organization

THE GESHER FOUNDATION INC

Employer identification number

23-7029115

FORM 990, PART I, LINE 1, DESCRIPTION OF ORGANIZATION MISSION:

SOCIETY TO TEACH TOLERANCE AND UNDERSTANDING AND TO PROMOTE JEWISH AND
ISRAELI IDENTITY.

FORM 990, PART VI, SECTION A, LINE 2: THE ORGANIZATION'S PRESIDENT, DR.

DANIEL TROPPER AND A BOARD MEMBER, DAVID TROPPER ARE BROTHERS.

FORM 990, PART VI, SECTION B, LINE 11: THE TREASURER OF THE ORGANIZATION

REVIEWS THE FORM 990 PRIOR TO SIGNATURE.

FORM 990, PART VI, SECTION B, LINE 12C: THE ORGANIZATION REGULARLY AND

CONSISTENTLY MONITORS AND ENFORCES COMPLIANCE WITH THE POLICY THROUGH
OVERSIGHT AND REVIEW BY THE EXECUTIVE DIRECTOR AND FINANCE COMMITTEE.

FORM 990, PART VI, SECTION C, LINE 19: ALL DOCUMENTS ARE AVAILABLE UPON

WRITTEN REQUEST.

**Application for Extension of Time To File an
Exempt Organization Return**

OMB No 1545-1709

► File a separate application for each return.

- If you are filing for an **Automatic 3-Month Extension**, complete only **Part I** and check this box ☒ **X**
- If you are filing for an **Additional (Not Automatic) 3-Month Extension**, complete only **Part II** (on page 2 of this form)

Do not complete Part II unless you have already been granted an automatic 3-month extension on a previously filed Form 8868**Part I Automatic 3-Month Extension of Time.** Only submit original (no copies needed)A corporation required to file Form 990-T and requesting an automatic 6-month extension - check this box and complete Part I only ☐

All other corporations (including 1120-C filers), partnerships, REMICs, and trusts must use Form 7004 to request an extension of time to file income tax returns

Electronic Filing (e-file). Generally, you can electronically file Form 8868 if you want a 3-month automatic extension of time to file one of the returns noted below (6 months for a corporation required to file Form 990-T). However, you cannot file Form 8868 electronically if (1) you want the additional (not automatic) 3-month extension or (2) you file Forms 990-BL, 6069, or 8870, group returns, or a composite or consolidated Form 990-T. Instead, you must submit the fully completed and signed page 2 (Part II) of Form 8868. For more details on the electronic filing of this form, visit www.irs.gov/efile and click on *e-file for Charities & Nonprofits*

Type or print File by the due date for filing your return. See instructions	Name of Exempt Organization	Employer identification number
	THE GESHER FOUNDATION INC	23-7029115
	Number, street, and room or suite no. If a P.O. box, see instructions 520 EIGHTH AVENUE, 15TH FLOOR	
	City, town or post office, state, and ZIP code. For a foreign address, see instructions NEW YORK, NY 10018	

Check type of return to be filed (file a separate application for each return)

- | | | |
|--|--|------------------------------------|
| ☒ Form 990 | ☐ Form 990-T (corporation) | ☐ Form 4720 |
| ☐ Form 990-BL | ☐ Form 990-T (sec 401(a) or 408(a) trust) | ☐ Form 5227 |
| ☐ Form 990-EZ | ☐ Form 990-T (trust other than above) | ☐ Form 6069 |
| ☐ Form 990-PF | ☐ Form 1041-A | ☐ Form 8870 |

THE GESHER FOUNDATION INC

- The books are in the care of ►
- 520 EIGHTH AVENUE - NEW YORK, NY 10018**

Telephone No ► **646-472-5380**FAX No ► **646-219-6535**

- If the organization does not have an office or place of business in the United States, check this box ☐
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) _____. If this is for the whole group, check this box ☐. If it is for part of the group, check this box ☐ and attach a list with the names and EINs of all members the extension will cover

- 1 I request an automatic 3-month (6-months for a corporation required to file Form 990-T) extension of time until **AUGUST 15, 2010**, to file the exempt organization return for the organization named above. The extension is for the organization's return for.
- ☒ calendar year **2009** or
- ☐ tax year beginning _____, and ending _____

- 2 If this tax year is for less than 12 months, check reason ☐ Initial return ☐ Final return ☐ Change in accounting period

3a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	3a	\$
b If this application is for Form 990-PF or 990-T, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit.	3b	\$
c Balance Due. Subtract line 3b from line 3a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	3c	\$ N/A

Caution. If you are going to make an electronic fund withdrawal with this Form 8868, see Form 8453-EO and Form 8879-EO for payment instructions.

LHA For Privacy Act and Paperwork Reduction Act Notice, see Instructions.

Form **8868** (Rev. 4-2009)

JRB-Maxed
4-19-10 to IRS
and MYS.
Expired to
MYS 4-16-10

THE GESHER FOUNDATION INC.
(A Non-Profit Corporation)

FINANCIAL STATEMENTS

DECEMBER 31, 2009 AND 2008

THE GESHER FOUNDATION INC.
(A Non-Profit Corporation)

DECEMBER 31, 2009 AND 2008

<u>Table of Contents</u>	<u>Page</u>
Independent Auditors' Report	1
Statements of Financial Position as of December 31, 2009 and 2008	2
Statements of Activities for the Years Ended December 31, 2009 and 2008	3
Statements of Cash Flows for the Years Ended December 31, 2009 and 2008	4
Notes to Financial Statements	5-13

BASS & LEMER LLP
CERTIFIED PUBLIC ACCOUNTANTS

836 HEMPSTEAD AVE.
WEST HEMPSTEAD, N.Y. 11552
(516) 485-9600
FAX: (516) 485-9603

1501 BROADWAY
NEW YORK, N.Y. 10036
(212) 944-1500

SHELBY S. GOLDGRAB, C P A , C M A
GARY S. ADLER, C P A

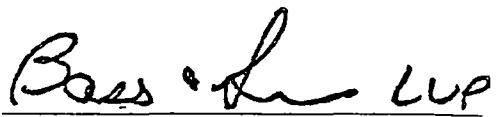
Board of Trustees
The Gesher Foundation Inc.
520 8th Avenue, 15th Floor
New York, NY 10018

Independent Auditors' Report

We have audited the accompanying statements of financial position of The Gesher Foundation Inc. (a non-profit corporation) as of December 31, 2009 and 2008, and the related statements of activities and cash flows for the years then ended. The financial statements are the responsibility of The Gesher Foundation Inc.'s management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance that the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Gesher Foundation Inc. as of December 31, 2009 and 2008 and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.


Certified Public Accountants

West Hempstead, New York
June 7, 2010

THE GESHER FOUNDATION INC.
(A Non-Profit Corporation)

STATEMENTS OF FINANCIAL POSITION

DECEMBER 31, 2009 AND 2008

	<u>ASSETS</u>	
	<u>2009</u>	<u>2008</u>
<u>Current Assets:</u>		
Cash and Cash Equivalents	\$ 588,685	\$ 737,228
Investments	12,069	9,075
Total Current Assets	<u>600,754</u>	<u>746,303</u>
<u>Furniture and Equipment:</u>		
Furniture and Equipment (Net of Accumulated Depreciation of \$23,646 and \$22,636)	<u>-</u>	<u>1,010</u>
TOTAL ASSETS	<u><u>\$ 600,754</u></u>	<u><u>\$ 747,313</u></u>
 <u>LIABILITIES AND NET ASSETS</u>		
<u>Liabilities:</u>		
Accrued Expenses Payable	\$ 31,641	\$ 79,864
Grants Payable	-	191,000
Total Liabilities	<u>31,641</u>	<u>270,864</u>
<u>Net Assets:</u>		
Unrestricted	551,770	476,449
Temporarily Restricted	17,343	-
Total Net Assets	<u>569,113</u>	<u>476,449</u>
TOTAL LIABILITIES AND NET ASSETS	<u><u>\$ 600,754</u></u>	<u><u>\$ 747,313</u></u>

The accompanying summary of accounting principles, policies and notes to financial statements are an integral part of these statements.

THE GESHER FOUNDATION INC.
(A Non-Profit Corporation)

STATEMENTS OF ACTIVITIES

FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008

	2009	2008
UNRESTRICTED NET ASSETS		
<u>Unrestricted Revenues and Gains:</u>		
Contributions	\$ 388,038	\$ 435,513
Interest and Dividend Income	2,110	18,936
Net Realized/Unrealized Gain (Loss) on Investments	2,994	(6,336)
Total Unrestricted Revenues and Gains	<u>393,142</u>	<u>448,113</u>
<u>Net Assets Released From Restrictions:</u>		
Support to Gesher Educational Affiliates and Gesher Multicultural Film Fund in Israel - Restriction Satisfied by Payment	<u>498,466</u>	<u>513,534</u>
Total Unrestricted Revenues and Gains and Net Assets Released From Restrictions	<u>891,608</u>	<u>961,647</u>
<u>Expenses:</u>		
Program Service - Support to Gesher Educational Affiliates and Gesher Multicultural Film Fund in Israel	498,466	513,534
Supporting Services - Management and General	185,847	443,332
Fund Raising	131,974	175,839
Total Expenses	<u>816,287</u>	<u>1,132,705</u>
Increase (Decrease) in Unrestricted Net Assets	75,321	(171,058)
TEMPORARILY RESTRICTED NET ASSETS		
<u>Restricted Revenue:</u>		
Contributions	515,809	513,534
<u>Net Assets Released From Restrictions:</u>		
Support to Gesher Educational Affiliates and Gesher Multicultural Film Fund in Israel - Restriction Satisfied by Payment	<u>(498,466)</u>	<u>(513,534)</u>
Increase in Temporarily Restricted Net Assets	<u>17,343</u>	<u>-</u>
Increase (Decrease) in Net Assets	92,664	(171,058)
Net Assets - Beginning of Year	<u>476,449</u>	<u>647,507</u>
Net Assets - End of Year	<u><u>\$ 569,113</u></u>	<u><u>\$ 476,449</u></u>

The accompanying summary of accounting principles, policies and notes to financial statements are an integral part of these statements.

THE GESHER FOUNDATION INC.
(A Non-Profit Corporation)

STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008

	<u>2009</u>	<u>2008</u>
<u>Cash Flows From Operating Activities:</u>		
Change in Net Assets	\$ 92,664	\$ (171,058)
<i>Adjustments to Reconcile Change in Net Assets to</i>		
<i>Net Cash Used in Operating Activities -</i>		
Depreciation	1,010	4,219
Net Realized/Unrealized (Gain) Loss on Investments	(2,994)	6,336
(Decrease) Increase in Accrued Expenses Payable	(50,223)	26,013
(Decrease) Increase in Grants Payable	(191,000)	91,000
Total Adjustments	<u>(243,207)</u>	<u>127,568</u>
Net Cash Used in Operating Activities	(150,543)	(43,490)
<u>Cash Flows From Investing Activities:</u>		
Net Proceeds from Sales of Investments	<u>-</u>	<u>215,414</u>
Net (Decrease) Increase in Cash and Cash Equivalents	(150,543)	171,924
Cash and Cash Equivalents - Beginning of Year	<u>737,228</u>	<u>565,304</u>
Cash and Cash Equivalents - End of Year	<u><u>\$ 586,685</u></u>	<u><u>\$ 737,228</u></u>
<u>Supplementary Information:</u>		
Paid on a Cash Basis -		
Interest	\$ 1,214	\$ 1,095
Income Taxes	\$ -	\$ -

The accompanying summary of accounting principles, policies and notes to financial statements are an integral part of these statements.

THE GESHER FOUNDATION INC.
(A Non-Profit Corporation)

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2009 AND 2008

Note 1 - Operations:

The Organization is a not-for-profit organization exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code and from state and local taxes under comparable laws. The Organization is operated exclusively for the support of Gesher Educational Affiliates and Gesher Multicultural Film Fund in Israel. Contributions made to the Organization are usually deductible by the donors in computing their taxable income. The Gesher Foundation Inc. was incorporated pursuant to Article 10 of the Religious Corporation Law of New York State. The Organization is also registered with the New York State Department of Law Charities Bureau.

During both years ended December 31, 2009 and 2008, the corporation's revenue and support was primarily from direct mass mailings, contribution solicitations, contributions made through the organizations' website and income from investments.

Note 2 - Summary of Significant Accounting Principles and Policies:

This summary of the significant accounting principles and policies of The Gesher Foundation Inc. is presented to assist in evaluating the corporation's financial statements included in this report. These principles and policies conform to accounting principles generally accepted in the United States of America as applicable to not-for-profit entities. The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires that management make estimates and assumptions which may impact the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses and disclosures of contingencies during the reporting period. Actual results could differ from those estimates and assumptions. A summary of the accounting principles and policies followed by The Gesher Foundation Inc. is as follows:

- Assets, liabilities, revenue and expenses are recognized on the accrual basis. Revenues received for future periods are deferred to the applicable period. Expenses are recognized when incurred.
- Furniture and equipment are stated at cost less accumulated depreciation computed on the straight-line method. Property and equipment are depreciated over their estimated useful lives.

THE GESHER FOUNDATION INC.
(A Non-Profit Corporation)

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2009 AND 2008

Note 2 - Summary of Significant Accounting Principles and Policies (continued):

- The classification of an organization's net assets and its support, revenue and expenses is based on the existence or absence of donor-imposed restrictions. It requires that the amounts for each of three classes of net assets - permanently restricted, temporarily restricted, and unrestricted - be displayed in a statement of financial position and that the amounts of change in each of those classes of net assets be displayed in a statement of activities.

These classes are defined as follows:

Permanently Restricted - Net assets resulting from contributions and other inflows of assets whose use by the organization is limited by donor-imposed stipulations that neither expire by passage of time nor can be fulfilled or otherwise removed by actions of the organization.

Temporarily Restricted - Net assets resulting from contributions and other inflows of assets whose use by the organization is limited by donor-imposed stipulations that either expire by passage of time or can be fulfilled and removed by actions of the organization pursuant to those stipulations. When such stipulations end or are fulfilled, such temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Statement of Activities.

Unrestricted - The part of net assets that is neither permanently nor temporarily restricted by donor-imposed stipulations.

- The carrying amounts of cash, accounts payable and accrued expenses approximate fair value because of the short-term nature of the items.
- The Organization considers all highly liquid investments with maturities of three months or less, when purchased, to be cash equivalents.
- For the purpose of the Statement of Cash Flows, cash and cash equivalents includes cash deposited with banks that include money market funds. These cash and cash equivalents approximate fair value because of the short maturities of these instruments.

THE GESHER FOUNDATION INC.
(A Non-Profit Corporation)

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2009 AND 2008

Note 2 - Summary of Significant Accounting Principles and Policies (continued):

- The organization adopted the provisions of Financial Accounting Standards Board ("FASB") authoritative guidance on fair value measurements, which clarifies fair value as an exit price, establishes a hierarchal disclosure framework for measuring fair value, and requires extended disclosures about fair value measurements. The guidance applies to all financial assets and liabilities measured at fair value. The guidance became effective for all non-financial assets and liabilities, except those that are disclosed or recognized at fair value on a recurring basis after November 15, 2008. The adoption did not have a material impact on the organization's financial position, results of operations or cash flows.

Investments in marketable securities with readily determinable fair values and all investments in certificates of deposit are reported at their fair values in the statement of financial position. Unrealized gains and losses are included in the change in net assets. Investment income and gains are reported as increases in unrestricted net assets in the reporting period in which the income and gains are received.

- Rent expense is recognized as paid over the term of the lease.
- Donor-restricted contributions whose restrictions are met in the same reporting period are reported as unrestricted contributions.
- Advertising costs are expensed as incurred.

Note 3 - Cash and Cash Equivalents:

Cash and cash equivalents consists of the following as of December 31:

	<u>2009</u>	<u>2008</u>
Cash	\$ 72,911	\$ 14,809
Money Market Accounts	<u>515,774</u>	<u>722,419</u>
Totals	<u>\$588,685</u>	<u>\$737,228</u>

THE GESHER FOUNDATION INC.
(A Non-Profit Corporation)

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2009 AND 2008

Note 4 - Investments:

At December 31, 2009 and 2008, the Organization had an investment in a mutual fund of a registered investment company that was recorded at the fair market value of \$12,069 and \$9,075, respectively. The investment consists entirely of the assets of two split-interest agreements.

At December 31, 2009, the Organization had a net realized and unrealized gain on its investment in a mutual fund of \$2,994 which included a dividend of \$268. At December 31, 2008, the Organization had a net realized gain and unrealized loss on its investments in mutual funds of \$6,336 which included a dividend of \$411.

Note 5 - Furniture and Equipment:

Furniture and equipment is stated at cost if purchased or, at fair value at the date of donation, if contributed and includes expenditures for major betterments and renewals. Maintenance and repairs are expensed when incurred unless they materially prolong the useful lives of the assets.

The Organization follows the policy of providing for depreciation on the straight-line method at rates based upon the estimated useful lives of the respective assets as follows:

Furniture and Equipment	5 years
Computer Equipment	3 years

Note 6 - Pension Plan:

The Organization maintains a pension plan whereby 10% of an employee's salary is contributed by the Organization on behalf of full-time employees who have attained 21 years of age and 1,000 hours within a prescribed time. The employee becomes vested in the employer's contribution over a six year time period.

The Organization has available a 403(B) plan whereby employees can contribute 100% of their salary up to the Internal Revenue Service guidelines. Employees are 100% vested in their contributions.

THE GESHER FOUNDATION INC.
(A Non-Profit Corporation)

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2009 AND 2008

Note 7 - Contributed Services:

No amounts have been reflected in the financial statements for donated services. The corporation generally pays for services requiring specific expertise. However, many individuals volunteer their time and perform a variety of tasks that assist the corporation. The value of this contributed time and expense is not reflected in the accompanying financial statements because it does not meet the recognition criteria of SFAS No. 116 and cannot be objectively measured or valued.

Note 8 - Fair Value Measurements:

Fair value of assets measured on a recurring basis at December 31, 2009 and 2008 are as follows:

	Fair Value Measurements at Reporting Date Using	
		Quoted Prices In Active Markets for Identical Assets (Level 1)
	Fair Value	
<u>December 31, 2009</u>		
Cash and Cash Equivalents	\$ 588,685	\$ 588,685
Mutual Funds	12,069	12,069
Totals	<u>\$ 600,754</u>	<u>\$ 600,754</u>
 <u>December 31, 2008</u>		
Cash and Cash Equivalents	\$ 737,228	\$ 737,228
Mutual Funds	9,075	9,075
Totals	<u>\$ 746,303</u>	<u>\$ 746,303</u>

THE GESHER FOUNDATION INC.
(A Non-Profit Corporation)

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2009 AND 2008

Note 8 - Fair Value Measurements (continued):

SFAS No. 157, Fair Value Measurements, establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels: Level 1 inputs consist of unadjusted quoted prices in active markets for identical assets and have the highest priority. The Organization uses appropriate valuation techniques based on the available inputs to measure the fair value of its investments. When available, the Organization measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value. No Level 2 and Level 3 inputs were available to the Organization.

Level 1 Fair Value Measurements:

The fair value of mutual funds is based on quoted net asset values of the shares held by the Organization at year end. The fair values of cash and cash equivalents are at their carrying value.

Note 9 - Charitable Gift Annuities:

In 2008, the Organization was a recipient of a total of \$15,000 in charitable gift annuities (split-interest agreements). Under the terms of the split-interest agreements, the Organization is obligated to pay interest annually aggregating \$1,095 to two donors until their demise. As of December 31, 2009 and 2008, \$12,069 and \$9,075, respectively, (fair market value) have been segregated in a Vanguard account to fund the interest. The funds in the account have been invested in a mutual fund.

THE GESHER FOUNDATION INC.
(A Non-Profit Corporation)

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2009 AND 2008

Note 10 - Functional Expenses:

Listed below is a schedule of functional expenses as of December 31, 2009 compiled by the Organization.

	<u>Program Support to Geshar Educational Affiliates and Geshar Multicultural Film Fund in Israel</u>	<u>Management and General</u>	<u>Fund Raising Expenses</u>	<u>Total Functional Expenses</u>
Grants	\$ 456,904	\$ -	\$ -	\$ 456,904
Salaries and Related Expenses	36,184	76,367	56,340	168,891
Consulting	-	29,723	30,914	60,637
Postage, Printing and Fundraising	-	2,214	24,439	26,653
Travel	3,046	9,496	5,375	17,917
Rent	1,357	13,031	12,759	27,147
Professional Fees	-	18,983	-	18,983
Supplies	-	5,208	-	5,208
Pension	-	7,024	-	7,024
Telephone, Internet and Backup	975	3,038	1,720	5,733
Depreciation	-	1,010	-	1,010
Insurance	-	3,188	-	3,188
Office Expenses	-	11,568	-	11,568
Fees, Permits and Bank Charges	-	3,783	427	4,210
Interest Expense	-	1,214	-	1,214
	<u>\$ 498,466</u>	<u>\$ 185,847</u>	<u>\$ 131,974</u>	<u>\$ 816,287</u>

THE GESHER FOUNDATION INC.
(A Non-Profit Corporation)

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2009 AND 2008

Note 10 - Functional Expenses (continued):

Listed below is a schedule of functional expenses as of December 31, 2008 compiled by the Organization.

	<u>Program Support to Geshher Educational Affiliates and Geshher Multicultural Film Fund in Israel</u>	<u>Management and General</u>	<u>Fund Raising Expenses</u>	<u>Total Functional Expenses</u>
Grants	\$ 513,534	\$ -	\$ -	\$ 513,534
Salaries and Related Expenses	-	106,377	124,878	231,255
Consulting	-	205,617	-	205,617
Postage, Printing and Fundraising	-	47,255	-	47,255
Travel	-	15,646	18,366	34,012
Rent	-	9,829	11,539	21,368
Professional Fees	-	19,000	-	19,000
Supplies	-	10,196	11,969	22,165
Pension	-	8,449	-	8,449
Telephone	-	2,306	2,706	5,012
Depreciation	-	1,941	2,278	4,219
Insurance	-	2,109	2,475	4,584
Advertising	-	1,387	1,628	3,015
Miscellaneous	-	12,125	-	12,125
Interest Expense	-	1,095	-	1,095
	<u>\$ 513,534</u>	<u>\$ 443,332</u>	<u>\$ 175,839</u>	<u>\$ 1,132,705</u>

Note 11 - Investment Risk:

The Organization has money market deposits at Oppenheimer & Co. Inc. that are in excess of the Securities Investor Protection Corporation (SIPC) which provides \$500,000 of coverage that includes coverage on cash of up to \$100,000.

THE GESHER FOUNDATION INC.
(A Non-Profit Corporation)

NOTES TO FINANCIAL STATEMENTS (CONCLUDED)

DECEMBER 31, 2009 AND 2008

Note 12 - Comparability:

To improve the comparability of the Organization's financial statements, certain functional expenses for 2008 were reclassified and not restated.

Note 13 - Subsequent Events:

The Organization evaluates events and transactions that occur subsequent to the balance sheet date but prior to the issuance date of the financial statements to determine the necessity for recognitions and/or reporting of any of these events and transactions in the financial statements. As of June 7, 2010, there are no subsequent events to be recognized or reported that are not already previously disclosed.